



CANNON BUILDING
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STATE OF DELAWARE
COUNCIL ON REAL ESTATE APPRAISERS

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PUBLIC MEETING MINUTES:	COUNCIL ON REAL ESTATE APPRAISERS
MEETING DATE AND TIME:	Tuesday, May 19, 2015 at 9:30 a.m.
PLACE:	861 Silver Lake Boulevard, Dover, Delaware Conference Room A , 2nd floor of the Cannon Building
MINUTES APPROVED:	June 16, 2015

Members Present

Lynn Baker, Professional Member, Chair
Douglas Nickel, Professional Member, Vice Chair
Ronald Mandato, Professional Member
Georgianna Trietley, Professional Member
Patricia Ennis, Public Member
Denise Stokes, Public Member

Division Staff/Deputy Attorney General

Kevin Maloney, Deputy Attorney General
Amanda McAtee, Administrative Specialist II

Members Absent

Kevin Gillis, Banking Member
Frank Long, Public Member

Public Present

Catherine Olenderski
Art Aranilla
Doug Sensabaugh
Sheila Ross
Beverly Wilson
Leslie Vasquez

Call to Order

Mr. Baker called the meeting to order at 9:34 a.m.

HEARING MINUTES
HEARING – Catherine Olenderski

PRESENT: Lynn Baker, Douglas Nickel, Ronald Mandato, Georgianna Trietley,
Patricia Ennis, Denise Stokes

RECUSED: Ronald Mandato

EXCUSED: Kevin Gillis, Frank Long

PURPOSE: Disciplinary Hearing, 19-03-14

PRESIDING: Lynn Baker, Chair

BOARD STAFF: Amanda McAtee, Administrative Specialist II

DEPUTY ATTORNEY GENERAL FOR THE BOARD: Kevin Maloney, DAG

DEPUTY ATTORNEY GENERAL FOR THE STATE: Oliver Cleary, DAG

RESPONDENT: Catherine Olenderski

COUNSEL FOR THE RESPONDENT: Art Aranilla

WITNESSES FOR THE STATE: None

WITNESSES FOR THE RESPONDENT: None

COURT REPORTER PRESENT: Gloria D'Amore, Wilcox and Fetzer

TIME STARTED: 9:34 a.m.

The court reporter took verbatim testimony. The Council members introduced themselves. Mr. Cleary waived his opening statement. Mr. Aranilla gave a statement for the record regarding Ms. Olenderski's appraisal experience. Mr. Cleary entered the following exhibits:

State Exhibit A:	State's Stipulation of Facts, Case Number 19-03-14
State Exhibit B:	Statement of Complaint, Case Number 19-03-14
State Exhibit C:	Ms. Olenderski's Response to Complaint Number 19-03-14
State Exhibit D:	Appraisal of 453 Cams Fortune Way dated April 18, 2008 Completed by Ms. Olenderski
State Exhibit E:	Appraiser Review Report for 453 Cams Fortune Way from Lincoln Appraisal & Settlement Services
State Exhibit F:	Appraisal of 453 Cams Fortune Way dated April 18, 2008 Completed by Justin Robertson
State Exhibit G:	MLS record printed July 19, 2014 for 162 Sika Drive
State Exhibit H:	Property Information for 453 Cams Fortune Way from Kent County, Delaware printed on July 18, 2014
State Exhibit I:	Property Information for 453 Cams Fortune Way from Kent County, Delaware with zoning map sketch printed on July 18, 2014
State Exhibit J:	Ms. Olenderski's Response to Field Appraiser Discrepancies dated June 1, 2013

Mr. Aranilla entered the following exhibits:

Respondent Exhibit 1:	USPAP Frequently Asked Questions (FAQ)
Respondent Exhibit 2:	Sample Appraisal
Respondent Exhibit 3:	<u>McCain v. Council on Real Estate Appraisers</u> , 2009 Del. Super. LEXIS 197

Ms. Olenderski was sworn in and gave a statement for the record. Council members questioned Ms. Olenderski regarding her testimony. The Council entered into deliberations at 10:25 a.m. and they concluded at 10:43 a.m. After further discussion, Mr. Nickel made a motion, seconded by Ms. Trietley, that the State proved violations B, C, D, E, and F as stated in the State's official complaint number 19-03-14. The motion carried by majority with Mr. Mandato recused.

The Council reviewed the Appraisal Foundation's Voluntary Disciplinary Action Matrix, which is based on the 2014-15 edition of USPAP. Mr. Nickel felt that the violations fell between level two and level three on the matrix. Ms. Trietley felt that the violations were between level three and four. Mr. Nickel read the description of levels two through four for the Council:

Level Two:	Technical errors or carelessness where appraiser would benefit from education and that do not involve the Ethics Rule or Competency Rule.
Level Three:	Minor violations of the Ethics Rule and/or Competency Rule. Other violations that rise to the level of affecting the creditability of an assignment.
Level Four:	Significant violations, including violations of the Ethics Rule and/or Competency Rule.

Mr. Baker stated that he felt level three fit the violations in the complaint. Mr. Baker stated that the sanctions listed in the matrix for a level three violation were, "Formal Reprimand or equivalent; corrective education (QE that cannot be used for CE for renewal); short suspension; medium probation; monitoring; restriction on scope of practice, area of practice or ability to supervise; moderate fine; payment of restitution and/or costs; or any combination of above."

After discussion, Mr. Nickel made a motion, seconded by Ms. Stokes, that the Council ordered Ms. Olenderski to receive a letter of reprimand, pay a fine in the amount of \$500, and remedial education in the amount of 7 hours be completed on the topic of sales comparison. Ms. Olenderski's licensed would be placed on probation upon signature of a final board order and would remain on probation until evidence was received that Ms. Olenderski paid the fine and completed the remedial education ordered. The motion carried by majority with Mr. Mandato recused.

The hearing concluded at 10:56 a.m.

Review and Approval of Minutes **April 21, 2015**

The Council reviewed the minutes from the March 17, 2015. Ms. Trietley made a motion, seconded by Ms. Stokes, to approve the minutes as submitted. By unanimous vote, the motion carried.

Unfinished Business

Deliberation and Vote on Proposed Revisions to Rules and Regulations: The proposed regulation changes the rules pertaining to continuing education and the responsibilities of state licensed supervisory appraisers and appraiser trainees are amended to conform to new Appraisal Qualifications Board criteria.

Mr. Maloney stated that the Council was to deliberate on the proposed rules and regulations changes. Ms. McAtee stated that comments were not received from the public in reference to the proposed changes. Mr. Nickel made a motion, seconded by Mr. Mandato, to approve the proposed regulation changes as proposed. By unanimous vote, the motion carried.

Status of Complaints:

19-02-15 – Forwarded to Attorney General's Office for Review

Mr. Baker stated that complaint number 19-02-15 had been forwarded to the Attorney General's office for review.

Continued Discussion on Limiting the Amount of Temporary Permit Issued per Year

Mr. Baker stated that this the discussion on limiting the amount of temporary permits issued per year was carried over from the last meeting at Mr. Nickel's suggestion. Mr. Nickel felt limiting the amount of temporary permits issued per year would better protect the public. Mr. Mandato suggested limiting the amount of five permits per year. Mr. Baker suggested limiting to three per year. Ms. Stokes and Ms. Trietley agreed with Mr. Baker's suggestion of limiting the temporary permits to three per year. After discussion, Mr. Mandato made a motion, seconded by Mr. Nickel, to propose a statute change in order to limit the amount of temporary practice permits to three per year. By unanimous vote, the motion carried.

Mr. Maloney stated he would prepare a draft bill for consideration during the 2016 legislative session.

Continued Discussion on Webinars and the Rules and Regulations Requiring Classroom Hours

Ms. McAtee stated that she received an inquiry regarding the requirement for classroom hours. Ms. McAtee stated that removing the classroom hour requirement would further aid in the portability of licensing and that online courses could provide the same level of education as classroom courses. Ms. McAtee stated that the trend was moving towards online education and that almost all states allowed a licensee to decide whether to attend an online or classroom course and did not have classroom requirements. Mr. Nickel stated that he felt that the requirement of classroom hours provided a better protection of the public. The Council did not recommend changes to requiring classroom hours.

Continued Discussion on Reducing the Hours of the Delaware Law, Rules and Regulations Course from Three to Two Hours

Mr. Nickel felt that the course was drawn out and that the hours could be reduced from three to two hours. Mr. Baker felt the course was fine at the length it was. The Council did not recommend changing the hours.

Re-Review of Application for AMC: Appraisal Links Inc.

Mr. Maloney stated that there was not a basis to deny the application. Mr. Nickel made a motion, seconded by Ms. Stokes, to approve the application. By unanimous vote, the motion carried.

New Business

New Complaints – none

Ratification of Issued Licenses

Mr. Nickel made a motion, seconded by Mr. Mandato, to approve the ratification of the issued licenses listed below. By unanimous vote, the motion carried.

Linda M. Cheers	CRRPA
John Bartlett Solomon	Temporary Practice Permit
Hayden Gordon	Temporary Practice Permit
Matthew Juraska	CGRPA
Scott Tonneson	Temporary Practice Permit

Ratification of Issued AMC Permits

Ms. Stokes made a motion, seconded by Mr. Nickel, to approve the ratification of the issued AMC permits listed below. By unanimous vote, the motion carried.

MaxVantage LLC
Capital Appraisal Management LLC

Continuing Education Activities for Approval

Mr. Mandato made a motion, seconded by Mr. Nickel, to approve the continuing education listed below with the exception of agenda item, 4.14.2, for the Delaware Chapter of the Appraisal Institute, which was approved contingent on receiving a timed outline. By unanimous vote, the motion carried.

Allterra Group
FHA Appraisals and Reporting Requirements, 7 CE (classroom)

Delaware Association of Appraisers
Support and Analysis for the Sales Comparison Approach, 7 CE (classroom)
Valuation of Partial Interests, 7 CE (classroom)
Delaware Law, Rules and Regulations, 3 CE (classroom)

Delaware Chapter of the Appraisal Institute
Delaware Law, Rules and Regulations, 3 CE (classroom)

NAIFA
Supervising the Trainee Appraiser, 4 CE (classroom)

McKissock
Supervisor-Trainee Course for Virginia, 4 CE (online)

Steve Williamson's Real Estate Education Specialists
National USPAP Update Course, 7 CE (classroom)
Law Update, 8 CE (classroom)
Unique and Complex Property Appraisal, 15 CE (classroom)

International Right of Way Association
Practical Negotiations for United States and Federally Assisted Projects, IRWA Course 207, 16 CE (classroom)
Communications in Real Estate Acquisition, IRWA Course 201, 24 CE (classroom)
Legal Aspects of Easements, IRWA Course 802, 7.75 CE (classroom)
Principles of Real Estate Law, IRWA Course 800, 15.25 CE (classroom)
Land Titles, IRWA Course 801, 15.25 CE (classroom)

Other Business before the Council (for discussion only)

None

Public Comment

None

Next Meeting

The next meeting is scheduled for June 16, 2015 at 9:30 a.m. in Conference Room A second floor, Cannon Building, 861 Silver Lake Boulevard, Dover, Delaware.

Adjournment

Mr. Mandato made a motion, seconded by Ms. Trietley, to adjourn the meeting. There being no further business before the Council, the meeting adjourned at 11:40 a.m. The motion carried unanimously.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'A McAtee', written in a cursive style.

Amanda McAtee
Administrative Specialist II

The notes of this meeting are not intended to be a verbatim record of the topics that were presented or discussed. They are for the use of the Council members and the public in supplementing their personal notes and recall for presentations